

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)	
)	
Auction of Advanced Wireless Services)	AU Docket No. 06-30
Licenses Scheduled for June 29, 2006)	

To: The Wireless Telecommunications Bureau

COMMENTS OF ALLTEL CORPORATION

In response to the *Public Notice* issued by the Wireless Telecommunications Bureau (“Bureau”) announcing the June 29, 2006 date for the Advanced Wireless Service-1 (“AWS-1”) spectrum auction (“Auction No. 66”) and seeking comment on auction-specific procedures,¹ Alltel Corporation (“Alltel”) respectfully submits the following comments.

Maintaining the Auction Schedule. As an initial matter, Alltel commends the Bureau for issuing the *Public Notice* at this point and conducting all of the actions necessary to carry out a timely auction of the AWS spectrum. Alltel supports the Commission’s efforts to ensure that Auction No. 66 begins on schedule.

Adopting Proven Auction Procedures. Auction No. 66 will involve the sale of 1,122 licenses covering 90 MHz of spectrum. It represents the largest and most complex auction of mobile wireless spectrum in over a decade. Alltel urges the Bureau to conduct the auction in a conservative manner with proven, established auction procedures. Given the stakes involved in this auction, it should not be used as a test bed. Alltel is concerned about any proposal that

¹ Public Notice, *Auction of Advanced Wireless Services Licenses Scheduled for June 29, 2006*, Rep. No. AUC-06-66-A, DA 06-238 (WTB rel. Jan. 31, 2006) (“*Public Notice*”).

would increase complexity, limit information, or result in confusion in the auction.

Conducting a Simultaneous Multiple-Round Auction – Without Package Bidding.

Alltel strongly supports the Bureau’s proposal to conduct the auction using the standard simultaneous multiple-round (“SMR”) auction format – and conversely, Alltel firmly opposes the package bidding option identified in the *Public Notice*.

The Bureau seeks comment on “the feasibility and desirability” of employing two auctions, run concurrently, that would allow for a standard SMR auction and a package bidding auction. Given the complexity of this auction – six different license blocks, three different geographic area types, 1,122 licenses in total – package bidding is neither feasible nor desirable. As the *Public Notice* recognizes, “a single standard SMR auction will provide bidders with the simplest and most flexible means of obtaining single AWS-1 licenses or aggregations of AWS-1 licenses.”² Indeed, the introduction of package bidding would infuse significant complexity and uncertainty into Auction No. 66. For example, the timeframe is extremely limited to develop the analytical tools necessary to prepare and evaluate package bidding opportunities. In this case, Alltel urges the Bureau to adopt its proposal for a standard SMR auction and “apply a single set of familiar rules to all bidders, bids and licenses.”³

Rejecting the Proposal to Withhold Information. Alltel does not support the proposal to conceal information regarding bidders and bids. The Commission has embraced an open, transparent bidding process in virtually all of the auctions it has conducted. This policy of disclosure has served the public interest well, as all bidders have had access to full information and the Commission’s auctions have licensed spectrum to bidders who value it most highly.

² *Id.* at 5.

³ *Id.*

Auction No. 66 should not be treated as an experiment based on economic theory. The *Public Notice* does not present evidence that would warrant such a radical shift, and Alltel urges the Bureau not to apply an untested theory of auction information to Auction No. 66. In 1994, the Commission concluded that disclosing bidder information would improve the licensing process in a number of ways, including by “improv[ing] the efficiency of license assignments; and “encourag[ing] vigorous bidding for licenses.”⁴ While the Commission retained the flexibility to limit information in the future “*if further experience shows that it would be feasible and desirable to do so*,”⁵ the *Public Notice* references no evidence of conduct or FCC auction *experience* to suggest that such a drastic change is “feasible or desirable.”

There is no compelling reason to impose new, untested bidding procedure rules in Auction No. 66. Alltel urges the Bureau to adopt proven procedures forthwith and maintain the June 29, 2006 auction date.

Respectfully submitted,

ALLTEL CORPORATION

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⁴ *Implementation of Section 309(j) of the Communications Act - Competitive Bidding*, Second Memorandum Opinion and Order, 9 FCC Rcd 7245, ¶ 39 (1994).

⁵ *Id.* at ¶ 42 (emphasis added).